

The Vitran Voice

THE OFFICIAL NEWSLETTER OF VITRAN CORPORATION.

SPOTLIGHT

Canadian Publications mail agreement #1475630

Chris Truck Line “a natural fit” for Vitran expansion

Vitran is once again on a growth curve with its recent acquisition of Chris Truck Line, a regional LTL freight carrier based in Wichita, KS, with coverage throughout the Midwestern and Southwestern US.

“For some time we had been looking to expand our service from our strong US central-state base,” says Rick Gaetz, Vitran President and Chief Executive Officer. “Chris Truck Line is a natural fit for us. There is little operational overlap with us in its geographic coverage, since it borders the western region of Vitran’s territory.” Rick also cites Chris Truck Line’s excellent financial health and its capable and seasoned management team as key factors in the acquisition. As well, the company is blessed with a strong sales force and capable and caring people throughout the organization.

Chris Truck Line also has one of the newest fleets in the industry, with the average age of the trailers at 5.2 years and the tractors, 2.9 years. Add to that a diverse client base with the largest customer accounting for only 3 percent of the business, and you have a transportation company that is strong and competitive, able to serve existing customers well and meet the needs of new ones. Chris Dugan, President of Chris Truck Line, will continue to head up the company until December 1, 2005. At that time, Rob Butler will take the reins as Vice-President, Chris Truck

“little operational overlap”



Chris Truck Line has one of the newest fleets in the industry, just one of the reasons it fits well into the Vitran group of companies.

Line with his entire management team intact.

Chris Truck Line has 19 terminals, covering 11 states, with the core segment of their business in new Vitran territory, including Colorado, Kansas, Oklahoma and Texas. This means that Vitran will add 13 new terminals.

The future looks bright for new business opportunities. Beyond the acquisition of Chris Truck Line’s existing customers, Rick expects the cross-border service between Canada and the US to increase. “The expanded North American coverage will be of great interest to customers on both sides of the border,” he says. “We also expect to roll out in all important inter-regional sell to our customers and employees shortly.”

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Vitran goes on PGA tour with David Hearn

The Vitran logo has been making an appearance on a regular basis on the Men’s PGA tour. Canadian golfer David Hearn has been sporting the Vitran logo on his cap since the start of the 2005 season. A first-year member on the tour, David has qualified for several events and is doing well. The highlight of the summer was his qualification for the US Open.

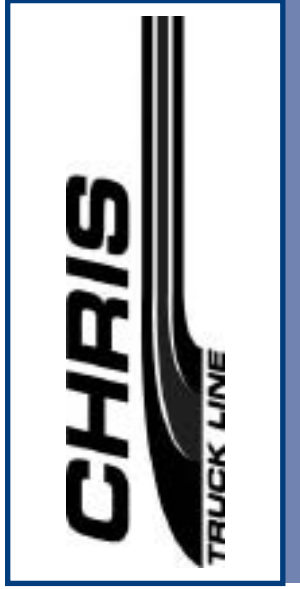
Recently, David competed in the tour’s Canadian stop, The Canadian Open, in Vancouver, BC. He stayed in town a little longer to participate in a fun customer golf day with Vitran clients. We wish David much success for the rest of this year and in retaining his card next year. We’re proud to be represented by such a friendly, professional member of the PGA tour.



PGA golfer David Hearn at a Vitran customer golf tournament in Vancouver. (L to R) Rob Cobban, Vitran Express Canada; Bob Hawkins, Univar; David Hearn; Terry Gamer and Keith Lambert, Forzani Group

Post-acquisition operations are moving along smoothly with no significant challenges beyond the integration of the information technology systems. Because Vitran has a solid base of experience in mergers and acquisitions, there should be few bumps in the road, Rick states, not anticipating any major disruptions for existing Chris Truck Line clients. Chris Dugan agrees, commenting, "Vitran has shown great corporate values in past acquisitions and I think this is a great situation for all Chris

Truck Line employees. We are very pleased to be a part of the Vitran family."



Meet the people at Chris Truck Line

Main office number in Wichita, Kansas: 1-800-759-2212.

www.citrans.com

- Rob Butler, Vice President, Chris Truck Line
- Dennis Eckerman, Regional Vice President, Sales
- Todd Horsch, Regional Vice President, Information Systems
- Bob Mease, Regional Vice President, Finance
- Pat Keitel, Director, Sales, Southwest Region
- Mark Burks, Regional Director, Maintenance
- Tommy Levering, Manager, Human Resources
- Adam Spiess, Manager, Linehaul

SEE VITRAN'S EXPANDED COVERAGE MAP ON PAGE 3

PRESIDENT'S MESSAGE



An addition to the team

It's been a while since I have had the pleasure of writing this message and quite frankly, I can't think of any that is more important than this one. As many of you are no doubt aware, we are extremely pleased to welcome Chris Truck Line to the Vitran family. We have had the opportunity to work with their management, sales and operational teams for a few months and I am even more impressed with them today than the day they joined the Vitran group.

Chris Truck Line is a company dedicated to service integrity, with strong people values, and growth in their territories. They are easy to work with and share Vitran's vision of broadening our geographic sell to our customers, something they were doing within their own company, previous to their acquisition by Vitran.

Recently, I have been visiting many of the Chris Truck Line facilities and what has impressed me most is the caliber of the people and their dedication to making the company absolutely the best in the southwest regional market place. We will continue

to work closely in our efforts to dominate the market between the US and Canada, as well as rollout the inter-regional sell to both our Midwest and southwest clients.

Each one of us has a role to play as we combine resources to become an even greater force in the marketplace. Whether you are responsible for billing our shipments, transferring freight, taking care of documentation for internationally-bound shipments, or rolling out this sell to our client base, we will only be successful if each one of us performs our job to the best of our ability. While there will be challenges, I believe we are all capable of managing them, for the long term benefit of both our customers and employees.

We've got a great team. Have fun with this as we seize this fantastic opportunity to improve the density in every marketplace in North America.

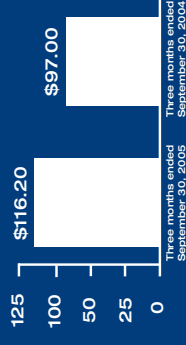
Again, we are thrilled to welcome all our new Chris Truck Line employees and look forward to an exciting and successful future.

Rick Gaetz
President & CEO

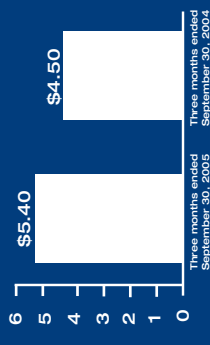
3Q Flash

all dollars quoted are US

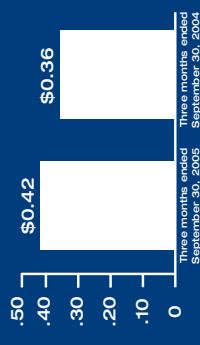
Revenue (in millions of dollars)



Net Income (in millions of dollars)



Earnings per Share



Always in style: New multi-year contract with Mark's Work Wearhouse builds on strong history

Back in 1997, the first issue of what was then called *Vitran News* reported on the fledgling partnership between Mark's Work Wearhouse and Vitran. Mark's had 144 stores then, and was one of the few Canadian retailers taking firm control of their supply chain. Searching for an innovative logistics strategy to increase efficiency, drive down costs and move from a manual to an automated replenishment system, Mark's turned to Vitran for an added-value consolidation process and faster transit times. Now that partnership is in its eighth year and is once again on a growth curve. Vitran Logistics has been awarded a multi-year contract, and, on behalf of Mark's, has recently opened a 125,000 square-

New facilities in Calgary and Brampton

foot dedicated distribution center in Calgary, AB. By the end of the year, a new 185,000 square-foot facility will also open in Brampton, ON. Along with the current cross-docking facility in Vancouver, BC, the square footage dedicated to Mark's will have doubled, giving the retailer the largest single customer footprint for Vitran Logistics.

But a successful relationship is much more than the bricks, the mortar or the technology, says Mike Glodziak, Vice-President of Vitran Logistics. "Mark's has been growing very strongly," he says. "We needed to support that growth, and in many ways, it's not so much what we do but how we do it. Because of our history, we believe we understand their culture and our challenge was transferring that culture to a new facility." Mike is also quick to point out that it is Vitran's approach to business that has helped drive the success of the expanded partnership. "Because of the efforts of both Vitran Logistics and the Canadian LTL division, Mark's has two great Vitran companies working for them—with a single point of contact," he says.

Phil Jenkinson, Mark's Director of Logistics, agrees: "Our biggest

Vitran and SickKids Hospital deliver Katrina aid

When the call went out from Toronto's The Hospital for Sick Children asking for Vitran's help to deliver toys to the young homeless victims of Hurricane Katrina, the company stepped up immediately. Sick Kid's personnel heard from the medical staff at the Houston Astro Dome that the children being sheltered there had nothing to do, or toys to play with. SickKids quickly put together eight pallets of baby bags and back packs stuffed with school supplies. With team work from Vitran Express Canada, Vitran Express US and Chris Truck Line—our newest member—the shipment was quickly routed from Toronto, ON south to Houston, TX. Thanks to everyone involved for their efforts.

challenge was re-aligning the LTL transportation network," Phil says. "But that was made easier because we're dealing with a single entity covering transportation and logistics." Phil is pleased with the way the start-up has proceeded, noting that the litmus test was that the 333 Mark's stores experienced virtually no disruption in deliveries, especially critical as new fall merchandise began arriving.

The Calgary site will handle Mark's distribution for Canadian provinces west of and including Manitoba and the North. (The new Brampton facility will take care of distribution for Ontario, Quebec and the eastern provinces.) This will significantly reduce both handling and transit times.

Reduced handling and transit times

Mark's is part of the Canadian Tire retail family, so it is natural that Canadian Tire, as the parent company, is also involved in the project. "Canadian Tire played a critical role in designing the site," says Mike. Bernie Reid, Vice-President, Operations, for Vitran Logistics, agrees, noting that, "Both Canadian Tire and Mark's allowed us to do what we do best, realizing that we had the resources and the flexibility to lead." After the smooth opening of the Calgary facility, Jenkinson is looking forward to the Brampton start-up. "Because Calgary went so well, it's given us peace of mind for Brampton," says Phil. "We trust Vitran. While we're experts in retail clothing, they're the experts in transportation and logistics."



Canadian retailer Mark's Work Wearhouse has expanded its partnership with Vitran



The staff at Toronto's SickKids Hospital gets children's supplies and toys ready for Vitran's delivery to Hurricane Katrina victims.

New program encourages drivers to be aware

Frontier Transport owner-operator Bill Gummer, an ex-policeman, notices many things that some of us wouldn't think twice about. For example, a red flag goes up when he sees an abandoned car at the side of a busy highway intersection where oil tanker trucks routinely pass by. "The car could be holding a bomb, waiting to be detonated at the right moment," he says. In the wake of 9/11, that scenario no longer seems to be just another figment of a movie-maker's imagination, as the terrorist threat becomes an uneasy reality.

It's this new reality that Highway Watch aims to deal with, a US nationwide program that trains truck drivers and other transportation professionals to watch for suspicious behavior, assess a potential threat, and then contact law enforcement. Stan Kindred, who is Safety Director at Frontier Transport, part of the Vitran network in Indianapolis, IN, has been certified as a trainer for the program, which is administered by the American Trucking Association and the US Transportation Security Administration. The Indianapolis safety department, as well as five owner-operators have also been certified.

"This is a useful program," says Stan. "Besides promoting safety, it

What is SOX and what does it mean to me?



Sean Washchuk, Vitran CFO, says SOX reinforces Vitran's image as a well-managed company

SOX is the acronym for Sarbanes-Oxley, a piece of securities reporting legislation enacted by the US government in 2002. But before your eyes glaze over and you think "That's only something that accountants care about," think again about the consequences of the Enron or WorldCom scandals that resulted in billions of dollars worth of corporate and investor losses—not to mention the negative effect on the financial markets and consumer trust. That's why SOX is considered to be the most significant change to the federal securities laws in the US since the 1930s. It requires all public companies to submit an annual assessment of the effectiveness of their internal financial auditing controls to the Securities Exchange Commission. Plus, a company's external auditors must audit and report on the internal control reports of management, as well as the company's financial statements.

"a strong, sound, well-run company"

helps transportation professionals to be aware of their equipment and workplace. They learn how to avoid becoming a target for terrorist activity, as well as avoiding having their equipment become weapons of terror."

Stan explains that participants in the course are told what to look for when witnessing traffic accidents and other unsafe situations.

They are also shown a video from an Iraqi training mission that is an "eye opener" when it comes to seeing how terrorist activities are carried out.



Once they have completed the half-day course, graduates receive a Highway Watch ID number and are given a hotline phone number where trained operators will take any calls regarding an unsafe or threatening situation. From there, information is routed to the appropriate law enforcement authority.

For Bill, it's all about awareness, from being alert enough to question the presence of unknown people around the service center, to being aware of the fact that what you carry in your load could make your truck more attractive to thieves—or terrorists. "It's true that I can't call in every car that's been tagged at the side of the road," he says. "But you have to use your judgment and your knowledge to tell you when something just isn't quite right."

What does this mean for Vitran? "First, because we've received our SOX 404 certification, it sends a message to our shareholders and employees that we are a strong, sound company that is well run," says Sean Washchuk, CFO of Vitran.

Vitran was one of the first transportation companies to receive this clean bill of health in February of 2005. Unlike many companies, Vitran did not use outside consultants to document, evaluate and institute any of the new procedures. Instead, the work was all done in-house by Vitran's small financial teams at each division's home office.

Vitran completed all work in-house

"It was a tremendous amount of work for our financial staff," Sean says. "Although the majority of the work was completed behind the scenes, the financial team and all Vitran employees who have been touched by the SOX requirements should be very proud of what they have accomplished in a short time, from the documentation through to the testing process."

Vitran is repeating the process, re-testing all internal controls to make sure the company is in full compliance. "This just validates Vitran's high ethical standards, the company's culture, strong governance and rigorous financial standards" says Sean.

The Inner Voice

STAFF PAGE

Frontier Transport does Relay For Life

The people at Frontier Transport had many good reasons to support the American Cancer Society's largest fundraising event



Monica Wyatt and Bill Gummer of Frontier Transport are driven around the final lap of the Relay For Life event by a volunteer.

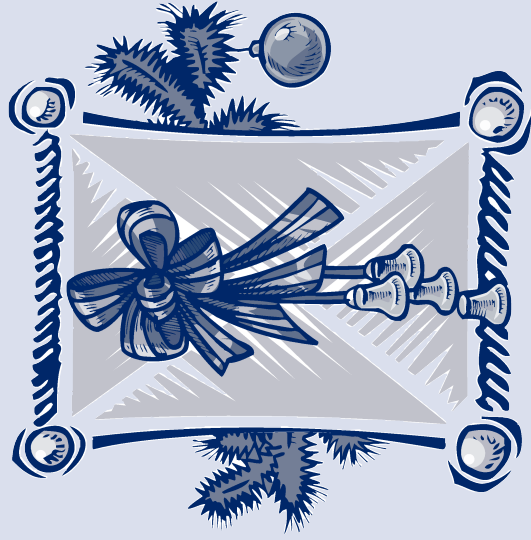
this past June. There was Justin, a little boy suffering from cancer who is a grandson of Frontier associate and Relay For Life participant Ann Stegemann. There was Matt Tucker, a cancer survivor and husband of Angie Tucker, also an associate at Frontier and a participant. And there was Monica Wyatt, a former Frontier associate who, despite her battle with lung cancer, managed to come out to the Relay. Sadly, just two weeks after the event, Monica passed away.

Despite the grief of losing Monica and her own continuing concern for her grandson's health, Ann believes that the Relay For Life is an inspirational and positive way of raising funds for and awareness of a disease that marks so many lives.

"It was a wonderful moment to see Monica doing her survivor lap, clapping and laughing," Ann says of the event, which requires teams to walk around a track for 24 continuous hours.

Other Frontier associates, including Monica's partner, Bill Gummer, participated in the event. Frontier Transport was a corporate sponsor, and with the help of donations from the family, friends and the company, Ann's team managed to raise \$5,000. "We intend to do this again next year, with an even bigger goal in mind," Ann says.

Best wishes for the holidays, and a healthy and happy New Year



Vitran recently opened a new facility in Calgary, AB, dedicated to Mark's Work Wearhouse business. Please see story on page 4.

Send us your news! If you have any company or customer news and photos, please phone (416) 596-7664, ext. 225, fax (416) 596-8039 or e-mail claire@vitrancorp.com

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